

entrepreneurs how to get their businesses running. Volunteers now work to protect the environment and help prevent the spread of AIDS.

Under Director Mark Gearan, the Peace Corps is also preparing to meet the challenges of the next century. To ensure that it does, I will ask Congress next month to continue its longtime bipartisan support for the Peace Corps and join me in putting 10,000 Peace Corps volunteers overseas by the year 2000. That's an increase of more than 50 percent from today's levels. I'll request that funding for the Peace Corps be increased by \$48 million, the largest increase since the 1960's.

In a world where we're more and more affected by what happens beyond our borders, we have to work harder to overcome the divisions that undermine the integrity and quality of life around the world, as well as here at home. Strengthening the Peace Corps, giving more Americans opportunities to serve in humanity's cause is both an opportunity and an obligation we should seize in 1998.

Thanks for listening.

NOTE: The address was recorded at 1:37 p.m. on January 2 at a private residence in Charlotte Amalie in St. Thomas, U.S. Virgin Islands, for broadcast at 10:06 a.m. on January 3.

Notice—Continuation of Libyan Emergency *January 2, 1998*

On January 7, 1986, by Executive Order 12543, President Reagan declared a national emergency to deal with the unusual and extraordinary threat to the national security and foreign policy of the United States constituted by the actions and policies of the Government of Libya. On January 8, 1986, by Executive Order 12544, the President took additional measures to block Libyan assets in the United States. The President has transmitted a notice continuing this emergency to the Congress and the *Federal Register* every year since 1986.

The crisis between the United States and Libya that led to the declaration of a national emergency on January 7, 1986, has not been

resolved. The Government of Libya has continued its actions and policies in support of terrorism, despite the calls by the United Nations Security Council, in Resolutions 731 (1992), 748 (1992), and 883 (1993), that it demonstrate by concrete actions its renunciation of terrorism. Therefore, in accordance with section 202(d) of the National Emergencies Act (50 U.S.C. 1622(d)), I am continuing the national emergency with respect to Libya. This notice shall be published in the *Federal Register* and transmitted to the Congress.

William J. Clinton

The White House,
January 2, 1998.

[Filed with the Office of the Federal Register,
11:21 a.m., January 5, 1998]

NOTE: This notice was released by the Office of the Press Secretary on January 5, and it was published in the *Federal Register* on January 6.

Letter to Congressional Leaders Transmitting the Notice on Libya *January 2, 1998*

Dear Mr. Speaker: (Dear Mr. President:)

Section 202(d) of the National Emergencies Act (50 U.S.C. 1622(d)) provides for the automatic termination of a national emergency unless, prior to the anniversary date of its declaration, the President publishes in the *Federal Register* and transmits to the Congress a notice stating that the emergency is to continue in effect beyond the anniversary date. In accordance with this provision, I have sent the enclosed notice, stating that the Libyan emergency is to continue in effect beyond January 7, 1998, to the *Federal Register* for publication.

The crisis between the United States and Libya that led to the declaration of a national emergency on January 7, 1986, has not been resolved. The Government of Libya has continued its actions and policies in support of terrorism, despite the calls by the United Nations Security Council, in Resolutions 731 (1992), 748 (1992), and 883 (1993), that it demonstrate by concrete actions its renunciation of terrorism. Such Libyan actions and

policies pose a continuing unusual and extraordinary threat to the national security and vital foreign policy interests of the United States. For these reasons, I have determined that it is necessary to maintain in force the broad authorities necessary to apply economic pressure to the Government of Libya to reduce its ability to support international terrorism.

Sincerely,

William J. Clinton

NOTE: Identical letters were sent to Newt Gingrich, Speaker of the House of Representatives, and Albert Gore, Jr., President of the Senate. This letter was released by the Office of the Press Secretary on January 5.

Letter to Congressional Leaders Transmitting a Report on Cyprus

January 2, 1998

Dear Mr. Speaker: (Dear Mr. Chairman:)

In accordance with Public Law 95-384 (22 U.S.C. 2373(c)), I submit to you this report on progress toward a negotiated settlement of the Cyprus question. The previous submission covered progress through July 31, 1997. The current submission covers the period August 1, 1997, to September 30, 1997.

Highlights of the reporting period include the U.N. sponsored talks between President Clerides and Turkish Cypriot leader Denktash held in Glion-sur-Montreux, Switzerland; U.S. Special Cyprus Coordinator Miller's trip to the region; and U.S. success in convening direct talks between the Greek and Turkish Cypriot leaders on security issues.

Sincerely,

William J. Clinton

NOTE: Identical letters were sent to Newt Gingrich, Speaker of the House of Representatives, and Jesse Helms, chairman, Senate Committee on Foreign Relations. This letter was released by the Office of the Press Secretary on January 5.

Remarks Prior to a Meeting With the Economic Team and an Exchange With Reporters

January 5, 1998

Federal Budget

The President. Good afternoon and happy new year to all of you. I'm glad to be back at work, and I'm looking forward to 1998.

We can begin the year with some good news. I can now say that we believe that the deficit this year will be less than \$22 billion. That means that it will decline for the 6th year in a row, a truly historic event. Twenty-two billion dollars is a far cry from the \$357 billion the deficit was projected to be this year when I took office or the \$90 billion it was projected to be when the balanced budget agreement was enacted. So we have come a very long way.

I can also say that the budget that I present to the Congress in February will be a balanced budget for 1999. Again, this will be the first time in 30 years we've had a balanced budget, and that's good news for the American people and for the American economy. It continues the successful economic policy that we adopted beginning with the budget in 1993, which was the first major step.

We have followed a policy of investing in our people, expanding the sales of American goods and services overseas, and practicing fiscal discipline. We reversed 12 years of trickle-down economics in which the deficit of this country exploded year after year and our national debt was quadrupled. So we have taken a different course, and thanks to the hard work and productivity of the American people, it is working. And I'm very, very pleased about it.

Now, what we have to do now is to build on it, first with the balanced budget to keep interest rates down and keep the economy growing, secondly with other policies which I will be outlining in the State of the Union. I welcome other people to the debate.

But let me say, I want to caution everyone that I will do everything that I can to prevent anyone from using a projected future surplus as a pretext for returning to the failed policies of the past. We do not want to go back to